



**NORTHWEST  
HOSPITAL**

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RECEIVED

MAY 16 1991

DEPARTMENT OF HEALTH  
HOSPITAL DATA

**NORTHWEST HOSPITAL  
CHARITY CARE PLAN**

5/1/91 REVISION

**I. ACUTE CARE AND OUTPATIENT**

**CHARITY CARE MISSION**

Northwest Hospital is committed to the art and science of delivering quality health care services to all persons in need of medical attention regardless of their ability to pay. It is our first and foremost responsibility to provide quality care to patients regardless of their social, ethnic or economic circumstances. Our commitment to provide quality care to our patients dictates that clinical needs predominate over economic factors in individual care decisions.

In order to protect the integrity of operations and fulfill this commitment, the following criteria for the provision of charity care are established. These are consistent with the requirements of WAC 261-14. These criteria will assist staff in making consistent and objective decisions regarding eligibility for charity care while maintaining a sound financial base.

**PURPOSE:**

To provide medically necessary uncompensated or reduced cost care for patients or their legal financial sponsors, when adequate income or assets are not available to pay for that care.

**CHARITY CARE ELIGIBILITY CRITERIA:**

In situations where appropriate primary payment sources are not available, patients shall be considered for charity care under this hospital policy as calculated for the 12 months prior to the date of request. Future earning potential may also be considered.

- A. Charity care is generally secondary to all other financial resources available to the patient. This includes:
  - a. Group or individual medical plans.
  - b. Workman compensation programs.
  - c. Medicare, Medicaid or other medical assistance programs.
  - d. Other state, federal or military programs.
  - e. Third party liability situations. (eg: auto accidents or personal injuries.)
  - f. Other situations in which another person or entity may have legal responsibility to pay for the costs of medical services.

## CHARITY CARE PLAN

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### Eligibility Criteria (cont)

- B. Charity will be granted equally to all qualifying individuals, regardless of race, color, sex, religion, age, handicap or national origin.
- C. Charity care for individuals who choose to come to Northwest Hospital, when free or covered care would be available to them at another facility, will be evaluated individually.
- D. Charity care for indigent patients who do not follow through in obtaining insurance coverage potentially available to them (eg: Medicaid) will be evaluated individually.

#### E. INCOME STANDARD

The full amount of hospital charges will be determined to be charity care for any patient whose gross family income is below 160% of the current CSA Non-farm Poverty Income Guidelines as published in the Federal Register (March, 1990) and consistent with WAC 261-14-027.

A sliding fee schedule shall be used to determine charity amount which shall be written off for patients with incomes between 160% and 200% of the poverty levels. This sliding scale will be updated annually based on the CSA. (SEE ADDENDUM A)

#### F. ASSET STANDARD

Net worth or assets of extraordinary value or major nonessential assets (e.g., expensive homes, auto newer than three years, boat, trailer, stocks, property, cash value of life insurance, etc.) on which a patient could draw cash through selling, mortgaging, or borrowing; will be a consideration in determining a patient's eligibility.

#### G. EMPLOYMENT STANDARD

A patient and/or the account guarantor's employment status and future earning capacity will be evaluated. Patients may be qualified due to reduced future earning potential, even if past income exceeded standards. Alternatively, future earnings sufficient to meet the hospital obligation within a reasonable period (e.g., a patient's returning to work within 6 weeks after service) will also be taken into consideration.

## CHARITY CARE PLAN

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### Eligibility Criteria (cont)

#### H. EXEMPTIONS FROM STANDARD

Catastrophic hospitalization costs, sizable other medical bills, or other patient specific circumstances (based on fairness and ability to pay) may justify granting charity care, even when a patient exceeds the indigent standards.

### PROCESS FOR ELIGIBILITY DETERMINATION

#### A. Identification of Potential Charity Care Patients

##### 1. Source of Charity Requests

Requests for charity care will be accepted from any source. Typically that will be physicians, community or religious groups, social services, financial services personnel or the patient. If the hospital becomes aware of factors which might qualify the patient for charity care under this policy, it will advise the patient of this potential and make an initial determination.

##### 2. Initial Determination

Charity care determinations will preferably be made during pre-admission contacts but will be accepted during admission or at any other time. The hospital will make an initial determination on verbal or written application. Pending final eligibility determination, the hospital will not initiate collection efforts or requests for deposits, provided that the responsible party is cooperative with the hospital's efforts to reach a determination of sponsorship status, including return of applications and documentation within fourteen (14) days of the request for the information.

##### a. Balances Anticipated To Be Under \$150

Application may be verbal at PFS staff's discretion and documented in permanent records.

## CHARITY CARE PLAN

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### Eligibility Determination (con't)

#### 2. b. Balances Anticipated To Be Greater Than \$150

Charity applicants will be expected to complete and sign a Confidential Financial Information Form. See addendum C. Additional documentation such as the following may be required.

1. W-2 withholding statements for relevant period.
2. Pay stubs for relevant period.
3. An income tax return for most recent period.
4. Medicaid eligibility determinations/coupons.
5. Unemployment acceptance or rejection forms.
6. Written statements from employers.
7. Other forms as necessary to support decision.

#### 3. Final Determination and Appeal Time Frame

The hospital shall make a final determination and notify the patient within 14 days of receipt of all application and documentation material.

#### 4. Denials

Denials will be written and include instructions for an appeal or reconsideration. The patient/guarantor may appeal the determination of eligibility for charity care by providing additional verification of income or family size to the Patient Accounting department within 14 days of receipt of notification. All appeals will be reviewed by the Patient Financial Services Management team. If this determination affirms the previous denial of charity care, written notification will be sent to the patient/guarantor and the Department of Health in accordance with state law.

### DOCUMENTATION AND RECORDS

- A. Confidentiality will be maintained for all information relating to the application, including supporting data.
- B. Documentation relating to charity care will be maintained in a patient's inpatient file for 5 years. Outpatient records will be retained for 3 years.

CHARITY CARE PLAN  
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**NOTIFICATION**

- A. The hospital's charity care policy shall be publicly available through the posting of a signs and the distribution of written materials explaining the policy to patients who indicate a financial need. See addendum D

- II. TRANSITIONAL CARE UNIT & HOSPICE  
See separate financial policy.

**PLAN INTERNAL ADMINISTRATION - SEE ADDENDUM B**

**ADDENDUM A**

EFFECTIVE 3-1-91

		A	B	C	D	E
Qualifying charity %:		100%	80%	60%	40%	20%
Income Basis:		160%csa	170%csa	180%csa	190%csa	200%csa
<u>NO. OF</u> <u>DEPENDENTS</u>	<u>CSA</u> <u>GROSS INCOME</u>					
1	6,620	10,592	11,254	11,916	12,578	13,240
2	8,880	14,208	15,096	15,984	16,872	17,760
3	11,140	17,824	18,938	20,052	21,166	22,280
4	13,400	21,440	22,780	24,120	25,460	26,800
5	15,660	25,056	26,622	28,188	29,754	31,320
6	17,920	28,672	30,464	32,256	34,048	35,840
7	20,180	32,288	34,306	36,324	36,342	40,360
8	22,440	35,904	38,148	40,392	42,636	44,880

Charity Plan

addendum B

Internal operation only.  
Not included with this  
package.



# Northwest Hospital

CHARITY PLAN

## CONFIDENTIAL PATIENT FINANCIAL INFORMATION

ADDENDUM

C

PLEASE COMPLETE ALL INFORMATION. ADDITIONAL INFORMATION MAY BE INCLUDED ON BACK.

PATIENT NAME		AGE	PHONE	SOCIAL SECURITY NO.	
GUARANTOR NAME		AGE	PHONE	SOCIAL SECURITY NO.	
ADDRESS		STATE		ZIP	
HOME:		NO. DEPENDENT CHILDREN		MARITAL STATUS:	
RENT      OWN      APPROX. VALUE				SINGLE      MARRIED      OTHER	
AUTO		LIFE INSURANCE:      SELF      SPOUSE			
YEAR      MAKE		AMOUNT			
		HEALTH INSURANCE:			
EMPLOYER		COMPANY		PREMIUM PAID	
		ADDRESS		PHONE	
POSITION OR OCCUPATION		HOW LONG		IF UNEMPLOYED:	
		YRS      MO		NO. OF WEEKS UNEMPLOYED	
SPOUSE'S EMPLOYER		ADDRESS		POSITION	
		YRS      MO			

TOTAL MEDICAL &amp; DRUG EXPENSES INCURRED IN PAST 12 MONTHS (APPROX.) \$

**ASSETS**

BANK CASH:	CHECKING	\$	
Name	Branch		
	SAVINGS		
STOCKS, BONDS			
PERSONAL PROPERTY (Boat, Tractor, Other)			
LIFE INSURANCE CASH VALUE			
REAL ESTATE OWNED - LIST			

**MONTHLY INCOME**

SALARY - GUARANTOR	\$	
SPOUSE		
BONUS OR COMMISSIONS		
PENSION OR SOCIAL SECURITY		
DIVIDENDS & INTEREST		
REAL ESTATE INCOME		
OTHER		

**MONTHLY EXPENSES**

INSTITUTION	PURPOSE	BALANCE OWING	MONTHLY PAYMENT
MORTGAGE		\$	\$
LOANS			
ACCOUNTS-MISC.			
MEDICAL/DENTAL			

I, THE UNDERSIGNED, UNDER PENALTY OF PERJURY SUBMIT THE INFORMATION ON THIS PAGE AS BEING A FULL, TRUE AND CORRECT STATEMENT OF MY FINANCIAL CONDITION ON THE DATE STATED.

SIGNATURE

SPOUSE'S SIGNATURE

DATE

NWH A-15 7/74



NORTHWEST HOSPITAL

CHARITY CARE POLICY

In keeping with Northwest Hospital's mission and philosophy, this hospital provides charity care as defined in the Washington State charity care code WAC 261-14-010 thru 261-14-010.

Charges for services provided to persons meeting the criteria established within WAC 261-14-027 may be waived or reduced.

If you feel that you may qualify for charity care, please notify the hospital Patient Financial Services office.

Sample of sign wording only.  
It will be large print on  
a framed 8½ x 11 page.